

From: Wayne Hedberg
To: TMunson
Date: 12/18/96 10:26am
Subject: Hecla Escalante Millsite Transfer Meeting - M/021/004

Thanks for your assistance with this Tom.

On Thursday, December 12, 1996, Wayne Hedberg and Tom Munson met at the Division offices with Mr. Alan Wilson (Hecla Mining Company), Mr. Dick Byrd and his associates to discuss the pending sale and transfer of Hecla's remaining private property holdings at the Escalante Silver Mine.

Mr. Byrd recently acquired a 20 acre parcel of land through a sheriff's bankruptcy sale, which Hecla had previously sold to another interest (Reliant Testing Co.?) when the mining operation terminated several years ago. This 20 acre parcel and additional portions of the unreclaimed millsite (pending sale and transfer) are to be used as a used tire recycling facility. Mr. Byrd showed us a copy of his Used Tire Recycler approval certificate from the state Department of Environmental Quality. He also stated that his company may use portions of the millsite facilities to build a greenhouse and/or produce a liquid fertilizer product.

Hecla is planning to sell off all of their remaining private property holdings associated with the mine and adjacent area to Mr. Byrd. Over 300 acres will likely be involved. Only a portion of this acreage falls within the mine's disturbed area.

We recommended that Hecla propose a change in the post mining land use. We gave Mr. Wilson an updated copy of our rules and a permit amendment form. We asked that the following items be provided to support the requested change to the mine plan:

1. Mr. Wilson will prepare a permit amendment to revise to the appropriate sections of the approved mining and reclamation plan to change the post mining land use.
2. Mr. Wilson will prepare a revised map outlining the areas to be transferred out of the approved permit. The map should also outline the balance of the acreage remaining under the permit (include remaining facilities/structures). The disturbed acreage figures should also be reflected on the map(s). An itemized listing of all of the facilities which will be sold and transferred to the new owners.
3. Copies of all pertinent documentation regarding future use of the existing facilities and land. A detailed explanation of the plans for the area to be transferred out of the permit. Copies of approved permits, similar county zoning clearances, and/or conditional use permits, etc. which support the proposed post mining land use(s).

It was suggested that a conditional approval could possibly be granted for the change in post mining land use, with the actual bond reduction to occur following our notification that the property sale has occurred. We advised both parties that it may a minimum of 30 days to process the amendment. We also indicated that we would have to look closely at the request (once received) to determine if we needed to take the surety reduction request to the Board.

A copy of this e-mail message will be sent to the mine file.